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SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-66149; File No. SR-FINRA-2011-069)

January 13, 2012

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change Relating to Post-Trade Transparency for Agency Pass-Through Mortgage-Backed Securities Traded TBA

On November 22, 2011, the Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (the “Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change related to post-trade transparency for agency pass-through mortgage-backed securities traded “to be announced” (“MBS TBA Transactions”). The proposed rule change was published for comment in the Federal Register on December 8, 2011.³ The Commission received one comment letter on the proposal.⁴

Section 19(b)(2) of the Act⁵ provides that, within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day for this filing is January 22, 2012. The Commission is extending this 45-day time period.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 65877 (December 2, 2011), 76 FR 76777.

⁴ See letter from Chris Killian, Managing Director, Securitization, Securities Industry and Financial Markets Association, to Elizabeth M. Murphy, Secretary, Commission, dated December 22, 2011.

⁵ 15 U.S.C. 78s(b)(2).

The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change, the comment received, and any response to the comment submitted by FINRA. The proposed rule change would, among other things, provide for post-trade transparency of MBS TBA Transactions that are reported to the Trade Reporting and Compliance Engine (“TRACE”).

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁶ designates March 7, 2012, as the date by which the Commission should either approve or disapprove or institute proceedings to determine whether to disapprove the proposed rule change.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Kevin M. O’Neill
Deputy Secretary

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⁶ 15 U.S.C. 78s(b)(2).

⁷ 17 CFR 200.30-3(a)(31).